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FOR IMMEDIATE RELEASE:  
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## **MEDIA ADVISORY**

### **BPA seeks public comments on finances**

**PORTLAND, Ore.** – The Bonneville Power Administration has scheduled a public meeting for Aug. 28 in Heyburn, Idaho, to discuss options for avoiding or reducing impending rate increases.

The Bonneville Power Administration (BPA) expects a significant financial shortfall because of lower revenues and higher costs. The agency faces a second consecutive year of net revenue losses and a very low cash balance going into next year. If BPA relies solely on wholesale power rates to restore its financial health, rates will increase over the remainder of the rate period.

On July 2, 2002, BPA Administrator Steve Wright wrote letters to the region and utility customers outlining the agency's financial concerns for FY 2003 through FY 2006. These letters announced a public process to take comment on a variety of options, including program reductions, to hold down rates. BPA is seeking comments from the public on the best financial choices to pursue.

Five potential approaches are outlined in the letters:

1. Raise rates under current rate mechanisms
2. Reduce costs and raise rates less
3. Raise rates modestly and increase risk of missing Treasury payments
4. Borrow money to pay current expenses
5. Reset rates at a higher, flat level

These options are contained in letters posted on the following BPA Web site:  
**[www.bpa.gov/power/financialchoices](http://www.bpa.gov/power/financialchoices)**

#### **Public Meetings:**

##### **August 28**

Time: 1 – 4

United Electric Co-op Inc.  
1330 21<sup>st</sup> Street  
Heyburn, ID

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